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UNITED STATES OF AMERICA

FILED IN THE
UNITED STATES DISTRICT COURT
DISTRICT OF HAWAII

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UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF HAWAII

CR 09-00345 SOM
CR. NO.

UNITED STATES OF AMERICA,)
)
Plaintiff,)
v.)
)
)
ALEC SOUPHONE SOU, (01))
MIKE MANKONE SOU, and (02))
WILLIAM KHOO, (03))
)
Defendants.)
_____)

INDICTMENT

[18 U.S.C. §§ 371, 1589,
1546, and 1592]

INDICTMENT

INDICTMENT

THE GRAND JURY CHARGES THAT:

COUNT 1

(Forced Labor Conspiracy)

BACKGROUND

At all times material to this indictment:

1. Aloun Farm, Incorporated (hereinafter Aloun Farm), located in Oahu, Hawaii, specializes in growing Asian vegetables, and is owned and operated by the Sou family of Thai/Laotian descent.

2. Defendant ALEC SOUPHONG SOU is the President and General Manager of Aloun Farm, and defendant MIKE MANKONE SOU is the Vice President and Operations Manager of Aloun Farm.

3. Thai Taipei Manpower Company, Limited, is a labor recruiting company that specializes in recruiting Thai nationals to work outside of Thailand.

4. Udon NT Union Manpower Company, Limited, (hereinafter Udon NT) is a labor recruiting company located in Udon Thani, Thailand.

5. Defendant WILLIAM KHOO is employed at Thai Taipei Manpower Company, Limited, and is a partner in Udon NT.

6. K.S. Manpower Supply Company, Limited, is a labor

recruiting company located in Bangkok, Thailand and works closely with Udon NT.

CONSPIRACY

From on or about April 1, 2003, and continuing through on or about February 8, 2005, in the District of Hawaii and elsewhere, defendants ALEC SOUPHONG SOU, MIKE MANKONE SOU and WILLIAM KHOO, and others known and unknown to the grand jury did knowingly and willfully combine, confederate, conspire and agree with one another and others known and unknown to the grand jury to hold Thai nationals in a condition of forced labor by knowingly providing and obtaining the labor or services of the Thai nationals by:

- (a) any scheme, plan, or pattern intended to cause the person to believe that, if the person did not perform such labor or services, that person or another person would suffer serious harm or physical restraint; and
- (b) the abuse or threatened abuse of law or the legal process.

OBJECT OF CONSPIRACY

7. The object of the conspiracy was to devise a scheme to: obtain cheap and compliant labor; entice workers to pay substantial up-front recruitment fees by making false promises

regarding the terms and payment of work; convince workers, in reliance on the false promises, to pay for the recruitment fee by obtaining high-interest loans secured by their family home and subsistence land as collateral; receive kickbacks from the workers' recruitment fees; and to compel the workers' labor and service through threats to send them back home to Thailand knowing the workers could not pay off their debts if sent home, thus risking serious economic harm including loss of their family property.

MANNER AND MEANS

8. It was part of the conspiracy that defendants ALEC SOUPHONE SOU, MIKE MANKONE SOU and WILLIAM KHOO, and co-conspirators known and unknown to the grand jury entered into a business venture to bring 44 impoverished, rural farm workers from Thailand to the United States under the U.S. Department of Labor seasonal and temporary H-2A program to work at Aloun Farm.

9. It was further part of the conspiracy that defendant WILLIAM KHOO, along with co-conspirators known and unknown to the grand jury recruited impoverished Thai nationals, who were earning approximately \$1,000.00 USD annually, to come work at Aloun Farm in the United States by enticing them with false promises of high wages and a three to four year employment contract.

10. It was further part of the conspiracy that defendants ALEC SOUPHONE SOU and WILLIAM KHOO, and co-conspirators known and unknown to the grand jury knew each Thai national paid substantial recruitment fees to secure the job at Aloun Farm and cover air fare and related expenses.

11. It was further part of the conspiracy that defendants ALEC SOUPHONE SOU, MIKE MANKONE SOU, and WILLIAM KHOO, and co-conspirators known and unknown to the grand jury pocketed most of the Thai nationals' recruitment fees.

12. It was further part of the conspiracy that defendants ALEC SOUPHONE SOU, MIKE MANKONE SOU, and WILLIAM KHOO, and a co-conspirator known to the grand jury made material false representations and omissions to the U.S. Department of Labor Employment and Training Administration in the Application for Alien Employment Certification and the Agricultural and Food Processing Clearance Order to procure the employment-based visas to bring the Thai nationals to Aloun Farm.

13. It was further part of the conspiracy that co-conspirators known and unknown to the grand jury, knowing the Thai nationals were poor and likely did not have the money to pay the recruitment fees, referred the Thai nationals to Krungsri Ayudhya Limited bank to obtain loans in the principal amount of 400,000 Thai baht (approximately \$10,000.00 USD), secured by the Thai nationals' families' subsistence land and homes.

14. It was further part of the conspiracy that co-conspirators known and unknown to the grand jury knew the Thai nationals would incur additional debt to satisfy the balance of the recruitment fees.

15. It was further part of the conspiracy that defendants ALEC SOUPHONE SOU and MIKE MANKONE SOU, and co-conspirators known and unknown to the grand jury confiscated the Thai workers' passports and visas when the workers arrived in the United States to limit the workers' freedom of movement.

16. It was further part of the conspiracy that defendants ALEC SOUPHONE SOU and MIKE MANKONE SOU deducted from the workers' earnings for housing, meals, and payments towards high-interest bank loans in Thailand obtained to pay recruitment fees, leaving the workers with minimal to no net pay.

17. It was further part of the conspiracy that defendants ALEC SOUPHONE SOU, MIKE MANKONE SOU, and WILLIAM KHOO, and co-conspirators known and unknown to the grand jury compelled the labor and service of Thai workers by threatening to send the workers home for complaining about wages, work conditions, confiscation of passports, and visa extensions knowing that if the workers were sent home they would be unable to repay their debts resulting in serious economic harm that would include loss of the family property, leaving them homeless and destitute.

OVERT ACTS

In furtherance of the conspiracy, and to accomplish the objects of the conspiracy, at least one of the co-conspirators committed or caused to be committed at least one of the following overt acts, among others, in the District of Hawaii and elsewhere:

18. In or about April 2003, defendants ALEC SOUPHONE SOU and WILLIAM KHOO, while in Thailand, entered into a venture to bring Thai nationals to the United States to work at Aloun Farm under the U.S. Department of Labor seasonal and temporary H-2A program.

19. In or about April 2003, in Thailand, defendant WILLIAM KHOO solicited a co-conspirator known to the grand jury to assist him in the United States with his venture to bring Thai nationals to the United States to work at a U.S. farm under the U.S. Department of Labor seasonal and temporary H-2A program.

20. In or about October 2003, defendants ALEC SOUPHONE SOU and WILLIAM KHOO, and a co-conspirator known to the grand jury met in Thailand where they entered into a scheme to bring Thai nationals to the United States to work at Aloun Farm under the U.S. Department of Labor seasonal and temporary H-2A program.

21. In or about October 2003, defendants ALEC SOUPHONE SOU and WILLIAM KHOO, and a co-conspirator known to the grand jury met in Thailand where they discussed how the Thai workers'

recruitment fees would be divided: approximately \$8,000.00 USD per worker to defendant WILLIAM KHOO and the local Thai recruiting companies; approximately \$2,500.00 USD per worker to Aloun Farm as an incentive to enter into the business deal with defendant KHOO and a co-conspirator known to the grand jury; and approximately \$5,500.00 USD per worker to a co-conspirator known to the grand jury.

22. On or about March 2, 2004, defendant MIKE MANKONE SOU sent a letter to the U.S. Department of Labor Employment and Training Administration stating that a co-conspirator known to the grand jury represented Aloun Farm for labor certification purposes and defendant MIKE MANKONE SOU assumed full responsibility for the accuracy of any representations made by this co-conspirator.

23. On or about March 5, 2004, defendant MIKE MANKONE SOU sought seasonal and temporary workers under the H-2A program by submitting to the U.S. Department of Labor Employment and Training Administration form 790 (ETA-790 Agricultural and Food Processing Clearance Order), and form 750 (ETA-750 Application for Alien Employment Certification), attesting to the fact that Aloun Farm needed fifty workers who would be paid \$9.42 USD per hour (later revised to \$9.60 USD per hour) and work six days a week, eight hours each day, from May 1, 2004, through November 30, 2004.

24. On or about May 21, 2004, defendants ALEC SOUPHONE SOU, MIKE MANKONE SOU, and WILLIAM KHOO authorized an agent to send a demand letter to Udon NT confirming that Aloun Farm was seeking to recruit through Udon NT at least 44 agricultural workers to work for up to three years at an hourly wage of \$9.60 USD (minimum of \$1,225.00 USD per month); for eight hours each day, six days a week; wages to be paid bi-monthly; and Aloun Farm to pay for the workers' housing and transportation to the United States.

25. In or about June 2004, defendants ALEC SOUPHONE SOU, MIKE MANKONE SOU, and WILLIAM KHOO authorized an agent to sign a master employment contract between Aloun Farm and each worker that contains their proposed terms and conditions of employment to include an hourly wage rate of \$9.42 USD (later modified to \$9.60 USD per hour) and the opportunity to work between three to four years in the United States.

26. In or about the summer of 2004, co-conspirators known and unknown to the grand jury, knowing the 44 Thai nationals did not have cash to pay for the recruitment fees, arranged for the Thai recruiters' affiliated bank, Krungsri Ayudhya Limited, to provide worker loans in the amount of 400,000 Thai baht using their families' homes and subsistence land as collateral.

27. On or about September 1, 2004, co-conspirators known and unknown to the grand jury employed by Udon NT directed the

Thai workers to report to the Udon NT office to pay in cash the balance of their recruitment fees, approximately 200,000 to 500,000 Thai baht (approximately \$5,000.00 to 12,500.00 USD), which is in addition to the 400,000 Thai baht bank loan (approximately \$ 10,000.00 USD), and to bring their loan guarantors with them.

28. On or about September 1, 2004, co-conspirators known and unknown to the grand jury and employed by Udon NT collected the cash balance of the recruitment fees and told the guarantors who provided the collateral for the workers' bank loans that if the Thai worker ran away once in the United States and/or defaulted on the loan, the guarantor would owe Udon NT between 4,000,000 to 5,000,000 Thai baht (approximately \$1,000,000.00 to 1,250,000.00 USD) as a fine or penalty.

29. In or about the summer of 2004, defendants ALEC SOUPHONE SOU, MIKE MANKONE SOU and WILLIAM KHOO, and co-conspirators known and unknown to the grand jury paid for the workers' airfare to the United States out of the Thai workers' recruitment fees knowing that Aloun Farm was responsible for paying the Thai workers' airfare to the United States.

30. On or about September 4, 2004, defendants ALEC SOUPHONE SOU, MIKE MANKONE SOU, and WILLIAM KHOO directed co-conspirators known and unknown to the grand jury to escort the 44 Thai workers from Thailand to Hawaii to work at Aloun Farm.

31. In or about September 2004, and shortly after the workers' arrival in the United States, defendants ALEC SOUPHONE SOU, MIKE MANKONE SOU and WILLIAM KHOO, and a co-conspirator known to the grand jury informed the 44 Thai workers that their employment contracts were a lie and just a piece of paper used to deceive the U.S. government; that Aloun Farm would not pay the workers the promised and contract hourly wage; and informed the workers that they would be paid approximately \$5.00 to \$6.00 USD per hour or a flat monthly wage.

32. In or about September 2004, defendants ALEC SOUPHONE SOU and MIKE MANKONE SOU, and co-conspirators known and unknown to the grand jury instructed the Thai workers verbally and in writing not to socialize with outsiders, particularly Laotians.

33. In or about September 2004, defendants ALEC SOUPHONE SOU and MIKE MANKONE SOU isolated the Thai workers by housing them in a two-story house surrounded by a cement wall in the front and a chainlink fence on the sides, and a locked gate controlled by Aloun Farm employees, limiting the workers' freedom of movement and association with outsiders.

34. In or about October 2004, defendants ALEC SOUPHONE SOU and MIKE MANKONE SOU moved approximately eleven Thai workers to remote, mobile, storage containers that had no air conditioning or indoor plumbing.

35. On or about September 4, 2004, and continuing through

about February 2005, defendants ALEC SOUPHONE SOU and MIKE MANKONE SOU deducted from the Thai workers' earnings for meals and housing.

36. On or about September 4, 2004, and continuing through about February 2005, defendants ALEC SOUPHONE SOU and MIKE MANKONE SOU, and Aloun Farm employees controlled the movement of the Thai workers by escorting them to work each day and when they were taken to a public facility.

37. On or about September 4, 2004, and continuing through about February 2005, defendants ALEC SOUPHONE SOU, MIKE MANKONE SOU and WILLIAM KHOO, and co-conspirators known to the grand jury threatened to send the Thai workers back to Thailand if they complained about the terms and conditions of their employment or if they tried to escape from Aloun Farm.

All in violation of Title 18, United States Code, Sections 371 and 1589 (a) (2) and (3) (2004) (amended by Public Law 106-386, effective December 23, 2008 and recodified as Title 18, United States Code, Section 1589 (a)(3) and (4)).

COUNT 2

(Document Servitude Conspiracy)

The allegations contained in paragraphs 1 through 37 of this Indictment are incorporated herein and by reference.

From on or about September 4, 2004, and continuing through

on or about November 30, 2004, in the District of Hawaii and elsewhere, defendants ALEC SOUPHONG SOU and MIKE MANKONE SOU, and others known and unknown to the grand jury did knowingly and willfully combine, confederate, conspire and agree with one another to hold the victims in a condition of document servitude by knowingly destroying, concealing, removing, confiscating, or possessing any actual or purported passport or other immigration document, or any other actual purported government identification document of another person:

- (a) in the course of a violation of 18 U.S.C. § 1589;
- (b) with intent to violate 18 U.S.C. § 1589; and
- (c) to prevent or restrict or attempt to prevent or restrict, without lawful authority, the person's liberty to move or travel, in order to maintain the labor or services of that person, when the person is or has been a victim of a severe form of trafficking in persons.

All in violation of Title 18, United States Code, Sections 371 and 1592.

COUNT 3

(Visa Fraud Conspiracy)

The allegations contained in paragraphs 1 through 37 of this Indictment are incorporated herein and by reference.

Beginning on or about April 2003, and continuing through on or about February 8, 2005, in the District of Hawaii and elsewhere, defendants ALEC SOUPHONG SOU, MIKE MANKONE SOU and WILLIAM KHOO, and others known and unknown to the grand jury did knowingly and willfully combine, confederate, conspire and agree with one another to commit visa fraud by:

- (a) knowingly subscribing as true a false statement with respect to a material fact in any application including the U.S. Department of Labor Employment and Training Administration form 750 (ETA-750 Application for Alien Employment Certification), and form 790 (ETA-790 Agricultural and Food Processing Clearance Order), affidavit, or other document required by the immigration laws or regulations prescribed thereunder; and
- (b) knowingly presenting to a U.S. federal government agency or department any such application, affidavit, or other document which contains any such false statement or which fails to contain any reasonable basis in law or fact.

All in violation of Title 18, United States Code, Sections 371 and 1546 (a) (paragraph 4).

DATED: August 27, 2009, at Honolulu, Hawaii.

A TRUE BILL

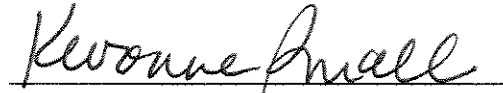
/s/Foreperson

FOREPERSON, GRAND JURY

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"Indictment"